CULLEN RESOURCES LIMITED

ABN 46 006 045 790

www.cullenresources.com.au ASX Symbol: CUL 31 July 2008

QUARTERLY REPORT for the period ending 30 June 2008

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PROJECTS

Gold and Nickel - Gunbarrel; Wonganoo; Killaloe, Forrestania

Iron - Mt Stuart; Wyloo; Paraburdoo

Uranium - Tunnel Creek; Central Australia; North Yilgarn

Copper - Gold - Duchess

Tungsten - Minter

Gold - Hardey Junction; Yanks Bore Woodcutters; Agnew

ABOUT CULLEN

Cullen is a Perth-based, diversified, minerals explorer with a number of JVs with key partners including: BHP Billiton; FMG; API (Aquila - AMCI); Hannans Reward, Intrepid, Red Hill Iron; and Thundelarra.

The Company continues to build its tenement portfolio throughout Australia and progressively evaluates and prioritises exploration plays with a view to further JVs or its own evaluation.

HIGHLIGHTS

IRON

- A Pre-Feasibility Study (PFS) on the first stage of the West Pilbara Iron Ore Project (WPIOP), being developed by Australian Premium Iron Joint Venture (API), confirmed the technical and financial viability of a development based on a 25 million tonnes per annum (Mtpa) iron ore operation – WPIOP includes the **Catho Well Channel Iron Deposit** (CID) of 79.5Mt @ 55.34% Fe (Cullen 30%).

TUNGSTEN

- Multiple zones of tungsten mineralisation were intersected in shallow aircore drilling at the Doyenwae Prospect, NSW, including:

  24m @ 0.32% WO_3 from 4m - Hole DAC6 and
  24m @ 0.16% WO_3 from 4m - Hole DAC7

GOLD

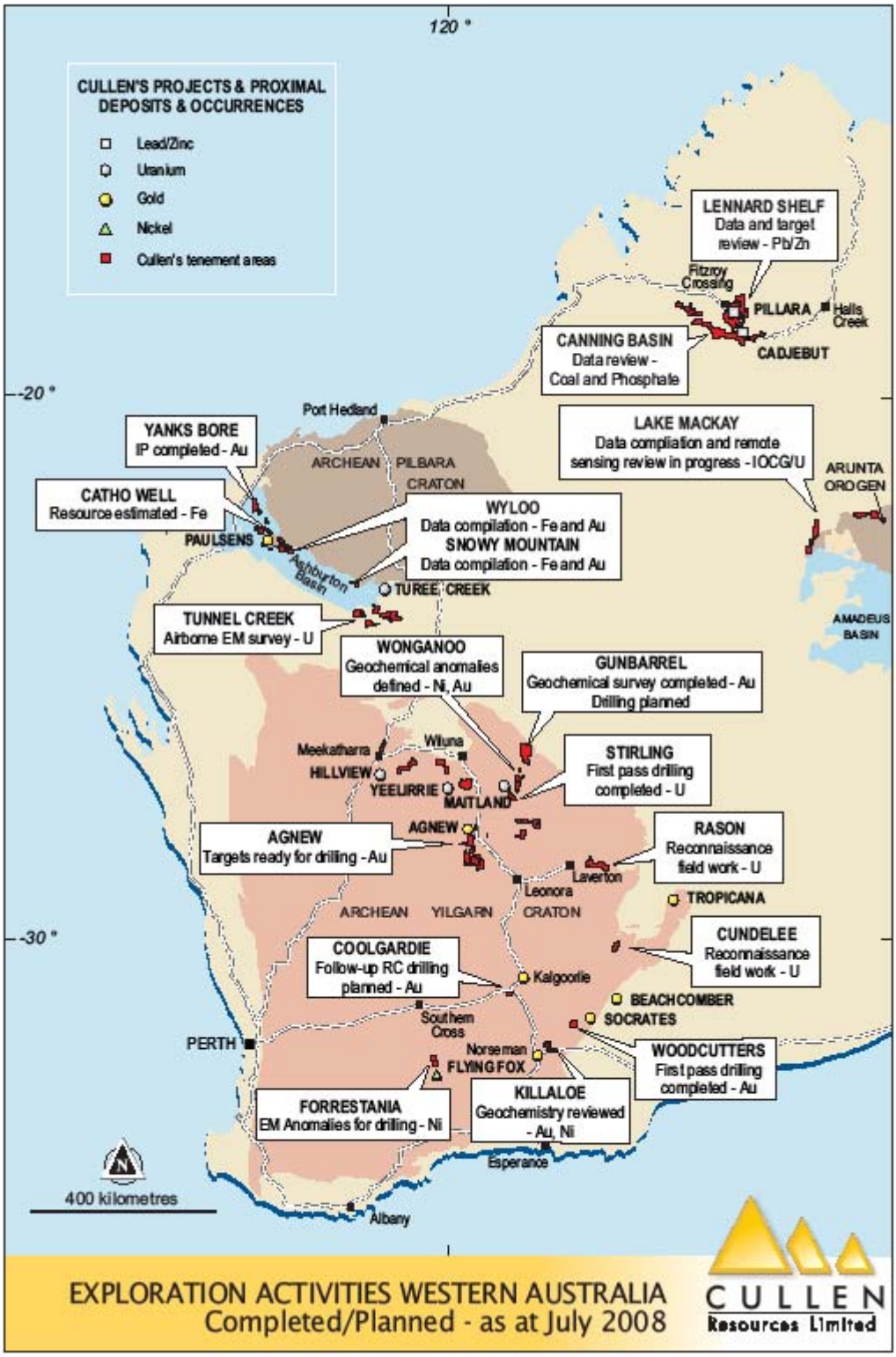
- A strong geochemical gold anomaly, with an associated multi-element signature, has been delineated in a prime geological setting just south west of the known Agnew gold deposits, and is ready for first pass drill testing pending DoIR approvals and drill rig availability.

PROJECT GENERATION

- Three new exploration licence applications were made, covering sediments in the Canning Basin, WA which are considered by Cullen to be prospective for coal and phosphate.

CORPORATE

- The company's Substantial Holders are the **AMCI and FRC Groups** which together hold 16.06% as per their substantial shareholder notice dated 17 July 2008; and **Aquila Resources Limited** which holds 15.78%.


120 °
CULLEN'S PROJECTS & PROXIMAL DEPOSITS & OCCURRENCES
Lead/Zinc
Uranium
Gold
Nickel
Cullen's tenement areas
LENNARD SHELF
Data and target review - Pb/Zn
Fitzroy Crossing
PILLARA
Halls Creek
CADJEBUT
CANNING BASIN
Data review - Coal and Phosphate
-20 °
Port Hedland
YANKS BORE
IP completed - Au
ARCHEAN
PILBARA
CRATON
LAKE MACKAY
Data compilation and remote sensing review in progress - IOCG/U
ARUNTA OROGEN
CATHO WELL
Resource estimated - Fe
WYLOO
Data compilation - Fe and Au
SNOWY MOUNTAIN
Data compilation - Fe and Au
PAULSENS
Ashburton Basin
TUREE CREEK
TUNNEL CREEK
Airborne EM survey - U
AMADEUS BASIN
WONGANOO
Geochemical anomalies defined - Ni, Au
GUNBARREL
Geochemical survey completed - Au
Drilling planned
Meekatharra
Wiluna
HILLVIEW
YEELIRRIE
MAITLAND
STIRLING
First pass drilling completed - U
AGNEW
AGNEW
Targets ready for drilling - Au
RASON
Reconnaissance field work - U
Laverton
Leonora
TROPICANA
ARCHEAN
YILGARN
CRATON
-30 °
CUNDELEE
Reconnaissance field work - U
COOLGARDIE
Follow-up RC drilling planned - Au
Kalgoorlie
BEACHCOMBER
SOCRATES
Southern Cross
PERTH
Norseman
FLYING FOX
WOODCUTTERS
First pass drilling completed - Au
FORRESTANIA
EM Anomalies for drilling - Ni
KILLALOE
Geochemistry reviewed - Au, Ni
Esperance
400 kilometres
Albany
EXPLORATION ACTIVITIES WESTERN AUSTRALIA
Completed/Planned - as at July 2008
CULLEN
Resources Limited

KEY PROJECT – Iron

WEST PILBARA, W.A.

MT STUART JOINT VENTURE - Cullen 30% of iron ore rights

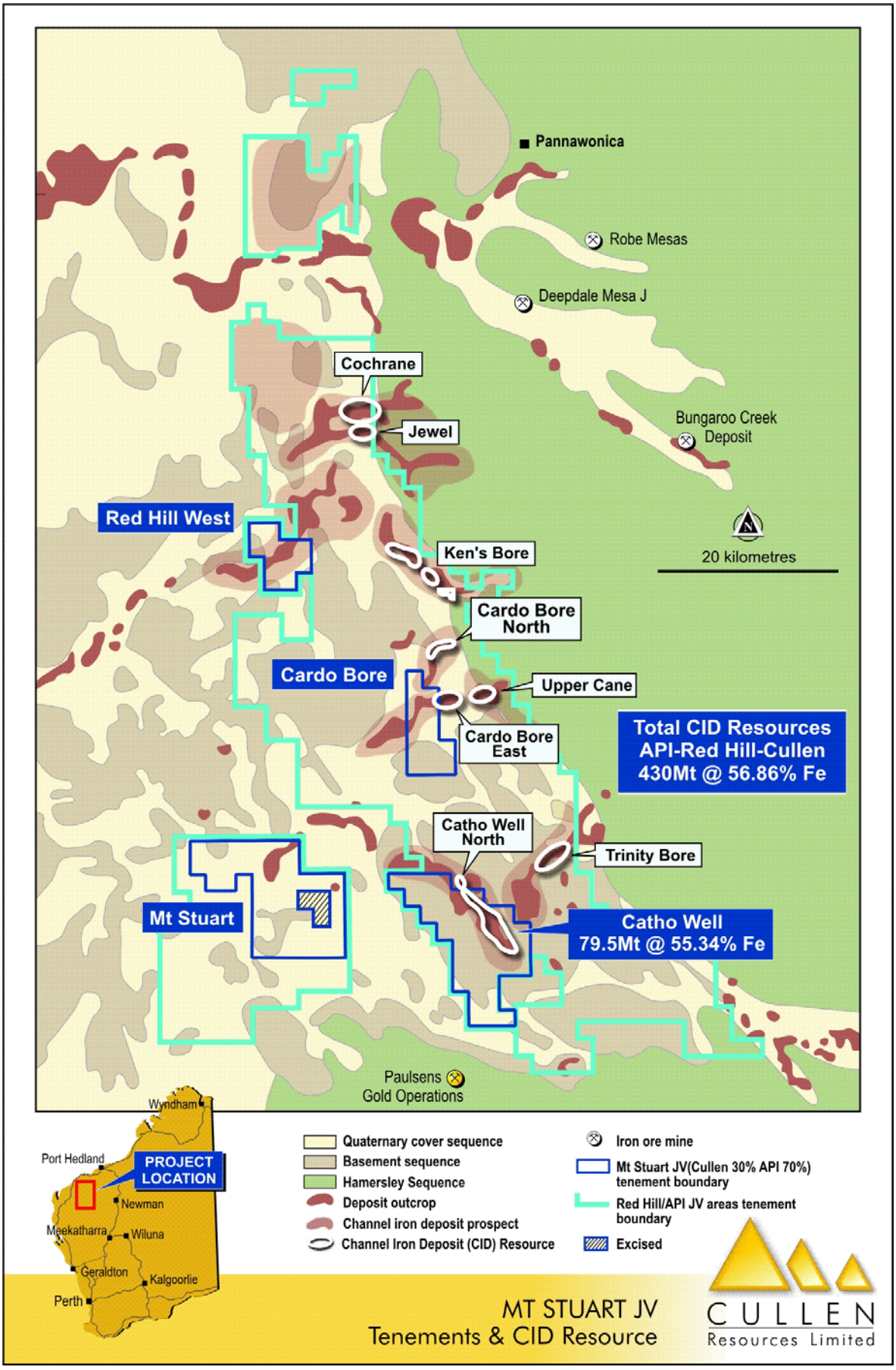
The West Pilbara - Mt Stuart Joint Venture (Australian Premium Iron Joint Venture (API), 70% and Managers, and Cullen Resources Limited, 30%) announced an increase of the Resource Estimate for its Catho Well Channel Iron Deposit (CID) from 68Mt to 79.5Mt @ 55.34% Fe on 7 March 2008 – see Table below. The increased Catho Well resource estimate has been compiled by API staff and Golder Associates in accordance with the guidelines of the Australasian Code for reporting of Identified Mineral Resources and Ore Reserves (JORC, 2004), and includes all additional RC drilling completed in calendar year 2007.

Table: Catho Well CID – Cullen 30% (cut-off grade >52% Fe, S.G. - 2.7)
Cullen's attributable share of Catho Well deposit is 23.85 Mt @ 55.34% Fe

Resource Classification	Tonnage (Mt)	Average Grade							
		Fe%	SiO_2%	Al_2O_3%	P%	S%	Mn%	MgO%	LOI%
Indicated	55.1	55.40	6.67	3.00	0.037	0.016	0.080	0.170	10.32
Inferred	24.4	55.20	7.06	3.18	0.036	0.016	0.080	0.170	9.99
Total	**79.5**	**55.34**	**6.79**	**3.06**	**0.037**	**0.016**	**0.080**	**0.170**	**10.22**

The Catho Well CID is one of nine separate iron resources in the West Pilbara Iron Ore Project (WPIOP) area, centred ~50 kilometres south of Pannawonica, in which API has an interest (see Figure). Aquila Resources Limited (50% owner of API) has reported that these nine CID's collectively comprise a resource of 430 Mt @ 56.86% Fe.

On 5 May 2008, Aquila Resources Limited (Aquila) announced positive results from the Pre-Feasibility Study (PFS) on the first stage of the WPIOP being developed by API. The PFS confirmed the technical and financial viability of a development based on a 25 million tonnes per annum (Mtpa) iron ore operation. On 2 July 2008 Aquila announced that, in conjunction with its partner in API, it had approved a Budget of $84.4 million for 2008/09 financial year to advance the West Pilbara Iron Ore Project.


Pannawonica
Robe Mesas
Deepdale Mesa J
Cochrane
Jewel
Bungaroo Creek Deposit
Red Hill West
Ken's Bore
20 kilometres
Cardo Bore North
Cardo Bore
Upper Cane
Cardo Bore East
Total CID Resources
API-Red Hill-Cullen
430Mt @ 56.86% Fe
Catho Well North
Trinity Bore
Mt Stuart
Catho Well
79.5Mt @ 55.34% Fe
Paulsens
Gold Operations
Wyndham
Port Hedland
PROJECT LOCATION
Newman
Meekatharra
Wiluna
Geraldton
Kalgoorlie
Perth
Quaternary cover sequence
Basement sequence
Hamersley Sequence
Deposit outcrop
Channel iron deposit prospect
Channel Iron Deposit (CID) Resource
Iron ore mine
Mt Stuart JV(Cullen 30% API 70%) tenement boundary
Red Hill/API JV areas tenement boundary
Excised
MT STUART JV
Tenements & CID Resource
CULLEN
Resources Limited

KEY PROJECT – Gold

NORTH EASTERN GOLDFIELDS, W.A.

GUNBARREL - E53/535, 968, 818, 837, Cullen holds 100% of the gold rights;
IRWIN BORE - E53/1040, Cullen 100%; E53/1209 and E53/1137, Cullen 90% and Western Australian Resources Ltd 10%

During 2007 Cullen reassessed the tenements' overall gold potential using laterite geochemistry and prospecting, and has outlined an As-Sb-Au anomaly that is interpreted to extend from Graf's Find in the south to Southern Prospect in the north (12 x 3.5 km). The Au-As-Sb anomaly is well-defined, strikes approximately NNE, and is distinct on a regional scale; it has a maximum Au result of 258 ppb (fire assay) in lateritic residuum.

The anomaly is considered by Cullen to represent an important new gold target including NW-SE structures interpreted from aeromagnetics data overlying interpreted, buried granite which have never specifically been targeted by drilling. The anomaly covers a favourable geological setting including foliated felsic rocks, aplitic dykes, cherts and fine to medium-grained mafic and ultramafic rocks with abundant gossanous quartz veins. Part of the anomalous trend is concealed by alluvium and colluvium. Where the anomaly covers deeply-eroded terrain with thin soil cover, visible gold (matchhead-sized nuggets) has been found.

An interpretation of regional and high resolution aeromagnetic data by Southern Geoscience Consultants, Perth, covering the general target zone at Graf's Find, outlined a west-northwest trending structure that coincides with geochemical gold anomalies and gold occurrences. A first phase of aircore drilling (1355m in 26 holes) was completed during the quarter to test the southeastern part of this target. The drilling intersected zones of alteration, and vein quartz up to 4m thick. Analytical results are pending. The western portion of this target, and structural/geochemical targets northwest of Southern Prospect, will be drill-tested in the near future, when a drill rig can be sourced.

KEY PROJECT – Gold

NORTH EASTERN GOLDFIELDS, W.A.

AGNEW PROJECT, SOUTH OF AGNEW / LAWLERS – Cullen 100%

EL36/632 and ELA36/656 cover ~340km^2 of granite and greenstone terrain south of the Agnew-Lawlers gold camp in the Lawlers greenstone sequence. Most of the region's major deposits, e.g., Redeemer, Crusader, Deliverer, Songvang, are located at or near the sheared contact of an older sequence of ultramafic flows, gabbros, basalts, felsic volcanics and related sedimentary rocks, and an overlying sequence of younger sedimentary rocks. The New Holland and Genesis Au deposits (estimated reserves and resources >1M oz) to the north, are hosted by the 1500 m thick Scotty Creek Formation and are structurally-controlled with gold in shear veins and associated hydrothermally altered sandstone (Ackroyd et al. 2001).

Some deposits of the Agnew-Lawlers gold camp are located only ~3km along strike to the northeast of Cullen's tenements. Aeromagnetic data indicate the Scotty Creek Sandstone Sequence hosting the New Holland and Genesis gold deposits may extend south into the Cullen tenements. The interpreted stratigraphy within the Cullen tenements is therefore considered highly prospective for primary gold mineralisation. Transported overburden forms a gently south-sloping plain covering the Cullen tenements and is likely to have rendered previous surface exploration ineffective.

There is no record and very little evidence of any exploration drilling within the tenement area, which is therefore unexplored despite its "brownfields" setting adjacent to a multi-million ounce gold camp.

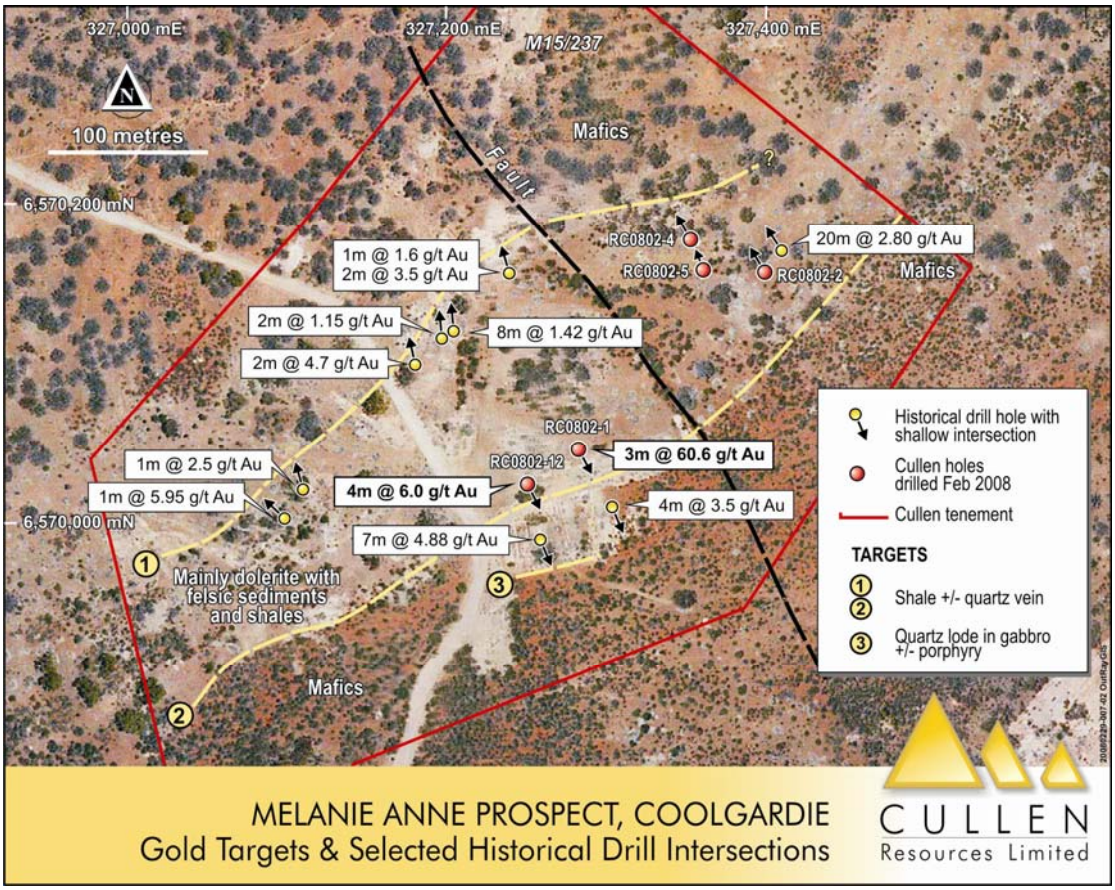
Cullen has completed plant-based geochemical sampling with ~500 analyses still pending. Based on the interpretation of some 590 analyses received to date, the geochemical signatures show clusters of gold anomalies in plant matter in E36/632, ranging from 10 to 57 ppb Au (considered highly anomalous in this sample type) within the interpreted sedimentary sequence. The strongest Au anomaly in plant matter is ~950m long, ~150m wide and trending approximately west, and may represent a dilation zone within a flexure of the main greenstone sequence which is trending NNE. This and other Au anomalies are associated with, but not limited to, a ~4500m long and ~500m wide, NNE-trending, multi-element anomaly with a strong mafic signature, likely indicating a sedimentary unit that may provide a suitable host rock for Au mineralisation. Several high-priority geochemical targets within E36/632 will be drill-tested as soon as the DoIR approval and heritage clearance have been obtained.

KEY PROJECT – Gold

EASTERN GOLDFIELDS, W.A.

COOLGARDIE PROJECT - Option to Purchase 100%

The results of an initial RC drilling programme (12 holes for 1024m) completed at the Coolgardie Gold Project (option to purchase M15/237,128, E15/4593, and MLA 15/876) were announced in March 2008. Better results included : 3m @ 60.6 g/t Au from 69m (including 1m @ 173 g/t Au); and 4m @ 6.00 g/t Au from 92m. These results, showing gold mineralisation related to quartz veining and sulphidic porphyry and dolerite, underline significant potential for high-grade, lode-style mineralisation within the Melanie Anne prospect area (M15/237) – see Figure.



Cullen has planned follow-up drilling to test along strike from the best intersections from the initial programme and for an initial test of Lode 1. It is hoped to undertake this drilling once a suitable drill rig becomes available in the September Quarter.

EXPLORATION ACTIVITIES – Gold / Nickel

NORTH EASTERN GOLDFIELDS, W.A.

WONGANOO GOLD / NICKEL PROJECT - Cullen 100% : E53/1046, E53/1069 and E53/1083; and
- Cullen 80% with Quantum Resources Limited 20% - E53/988

A nickel rights Joint Venture with BHP Billiton over EL's 53/1046, 1069, and 1083 allows BHP Billiton to earn up to 70% in all Minerals, excluding gold.

Cullen has conducted various initial exploration programmes for gold and nickel, and has highlighted areas of interest for nickel within E53/1046. A detailed aeromagnetic survey of the new JV area and BHP Billiton's own adjoining projects was flown in November 2007, and may provide a new insight into the prospectivity for both nickel and gold deposits. Geological interpretation of the aeromagnetics data is on-going although BHP Billiton has no plans for fieldwork in the September Quarter.

Plant-based sampling tested potential Au and Ni targets identified from laterite geochemistry and/or geophysical surveys, and has located two gold targets in the southern part of E53/988. Cullen also plans to drill-test a previously identified EM conductor within E53/988 ("WE-2A") which returned anomalous Ni concentrations in vegetation for magmatic Ni sulfide mineralisation, subject to DoIR approval and rig availability.

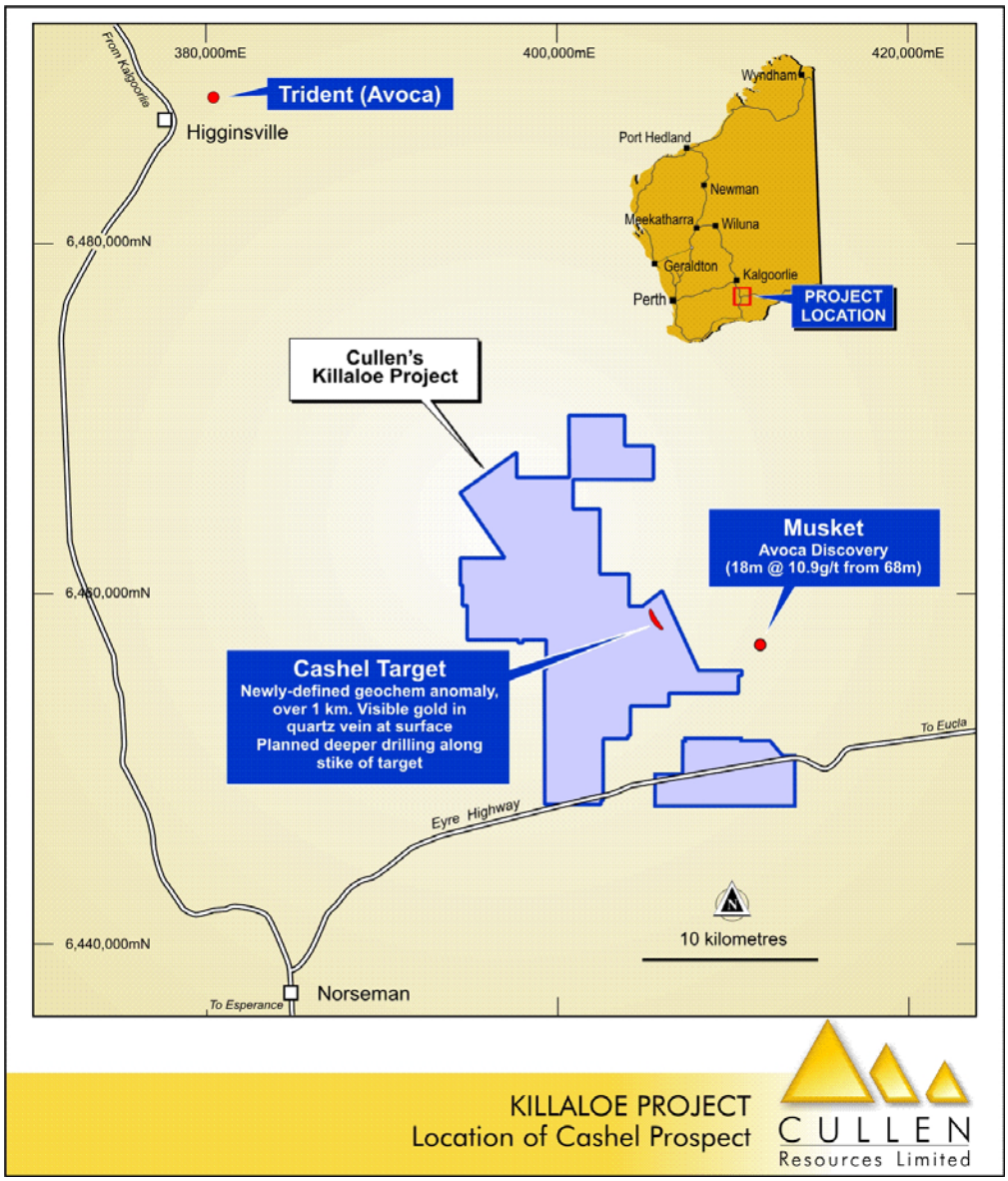
EASTERN GOLDFIELDS, W.A.

KILLALOE GOLD / NICKEL PROJECT, near NORSEMAN - Cullen 100%

Killaloe is located approximately 25km NE of Norseman in the Eastern Goldfields of WA and covers approximately 150km^2 of Archaean greenstones between the Zuleika Shear and the Boulder-Lefroy Fault at the southern end of the Norseman-Wiluna Greenstone Belt, an area highly prospective for gold. The Killaloe Project covers about 20 strike km of greenstones and includes the Duke, Baseline, Cashel, Peninsula and Killaloe, structurally-controlled gold prospects. At Cashel, a sub-cropping narrow quartz vein with bonanza-grade native gold was discovered by pitting.

Following a review of the extensive database generated by past explorers, Cullen has completed plant-based surveys (~460 samples) across previously identified geophysical and geochemical (RAB and AC drilling) Ni and kimberlite targets, as well as along a broad corridor (2.5 x 1.5km) that includes Au occurrences at Cashel. The geochemical results show a regional, NNW gold trend that is centred on the Cashel gold discovery and extends for approximately 1200m. This gold trend is located approximately ~6km NW of Avoca's Musket discovery (see Figure). Drill testing of the Cashel gold trend and deeper drilling (~80-150m) of the known surface mineralisation is planned.

Several geophysical targets and previously identified soil or auger anomalies were tested for surface expressions of Ni sulphide mineralisation. Some targets show discrete Ni anomalies that do not appear to be due to sulphidic sediments, and therefore warrant drill testing and/or follow-up geochemical work.



FORRESTANIA REGION, W.A.

STORMBREAKER AND NORTH IRONCAP GOLD / NICKEL PROJECTS – Hannans Reward Limited 80%, and Cullen 20% and free carried to a Decision to Mine

The Stormbreaker and North Ironcap Projects lie along the western margin of the nickel-rich Forrestania greenstone belt and are centred about 12km on strike north of the Flying Fox, New Morning and Daybreak nickel deposits of Western Areas NL.

During the Quarter, Southern Geoscience Consultants conducted a full review of all surface and down-hole TEM, HOISTEM and Induced Polarisation (IP) geophysical surveys conducted within the joint venture ground during the period 2004 to 2008. A number of untested, surface EM anomalies were identified, some of which are coincident with anomalies in the IP and magnetic data. The most recent FLTEM geophysical survey conducted by Hannans (3rd Quarter 07/08) has provided better data coverage than was previously obtained from the MLEM surveys, resulting in more accurate modelling. A number of deep drill holes have been recommended to test these geophysical anomalies.

An auger soil sampling programme was also completed within E77/1354 during the Quarter. Preliminary data received to date includes elevated levels of nickel, copper, chromium, platinum and palladium, indicating ultramafic rocks may lie along the eastern edge of the tenement. Aircore drilling is planned to test this target area.

EXPLORATION ACTIVITIES – Gold

WOODCUTTERS PROJECT, near NORSEMAN – E28/1662 (Cullen 100%)

The Woodcutters Project is located within an exploration corridor which includes the Tropicana and Beachcomber gold discoveries, and where there is a major exploration push by Newmont-SIPA and Anglogold-Independence Group, along the south east margin of the Archaean Yilgarn Craton.

Targets defined by Cullen for gold mineralisation within E28/1662 include: low-level, copper-gold and arsenic geochemical anomalies from calcrete sampling, and a prominent NNW-SSE stratigraphic trend interpreted from aeromagnetic data to be a banded iron formation (BIF).

A reconnaissance aircore drilling program (11 holes for 480m) was completed during the quarter to provide a preliminary investigation of the transported profile and the regolith in the general area of the geochemical anomalies and the interpreted BIF. (The size of the programme was limited by drill rig availability.)

Although the drilling results show very weak Au anomalism in the calcrete and lignite horizons (max. 37 ppb Au) within the transported overburden, and these may be the source of the surface Au anomalies detected in the regional calcrete sampling survey, the origin of the Au enrichment in lignite and calcrete remains unclear. None of the fresh rock or saprolite samples has anomalous gold concentrations. Cullen is currently reviewing these results and considering the best approach for further exploration.

ASHBURTON PROVINCE, W.A.

HARDEY JUNCTION JOINT VENTURE - Intrepid Mines Limited earning up to 70%

Intrepid Mines, which completed a merger with Emperor Mines Limited during the last Quarter, is operator of the Paulsens Gold Mine located approximately 15 km north of the Hardey Junction JV ground. Intrepid, as Manager of the Hardey Junction JV, has initiated a review of prospectivity for gold and iron deposits within the Joint Venture tenements.

CULLEN / RED HILL JOINT VENTURE - Red Hill Iron Limited earning 70%

Cullen and Red Hill have a Joint Venture Agreement on tenements E08/1135, 1330, 1341, 1292, 1375 and 1622 (565km^2), all of which are contiguous with Red Hill's major Project Area in the NW of the Ashburton Basin. The JV excludes the iron ore rights, which remain the subject of a separate joint venture between Cullen and API, except on E08/1622. Red Hill can earn its equity by expending $1M over a four year period with a minimum expenditure of $200,000 in the first year.

A significant area of anomalously high Fe in soil, underlain by a buried CID system in the north east of the JV area within E08/1622 (Rose Bore Channel Iron occurrence) will be drilled (RAB) during the September Quarter.

EXPLORATION ACTIVITIES – Uranium

The Company's exploration portfolio for uranium includes applications and tenure in WA and the NT. The target types include: unconformity-type uranium targets in the Ashburton province of WA (Thundelarra JV); calcrete-type uranium targets in the northern and north-eastern portions of the Yilgarn in WA; and sandstone-hosted, lignite and/or vein-alteration type uranium targets in the Amadeus Basin-Arunta region around Alice Springs in the N.T. The process of prioritising target areas is continuing.

WESTERN AUSTRALIA

On the basis of on-going geological review, including remote sensing, and the estimation of fieldwork and logistical costs in the very remote region near Lake Mackay in the far east of the state, Cullen has reduced its level of interest in the area, but retains two applications at present.

The Stirling Project (E37/851) is centred approximately 13km southeast of the Maitland Palaeochannel Uranium deposit, and at the southern end of the company's Wonganoo Project tenement area (see Figure) in the Yilgarn. A programme of reconnaissance aircore drilling (12 holes for 264m) was completed to test a coherent uranium anomaly extending ~7km x 1km along the trend of the drainage channel at the end of the Quarter. The preliminary results, based on handheld spectrometer readings, show the source of the U response in surface geochemistry is saprolite and granitic bedrock beneath only 10m of transported cover within the drainage. This granite has U and Th concentrations of ~5-10 ppm respectively (handheld spectrometer readings) and is very likely to account for the surface geochemical response. A single drill-hole test of a ~3.5km x 0.5km E-W orientated cluster of anomalous gold results in the northern part of the tenement failed to reach bedrock and finished in Tertiary channel clay at a depth of 40m. With this thickness of transported cover, the surface Au response likely indicates some minor Au enrichment within the transported cover and not a bedrock source nearby. Analytical results are pending.

Cullen's Hillview Project (ELA51/1249 & E51/1170) is located 25 km NE of the Hillview uranium project (Encounter Resources). Reconnaissance plant-based sampling was completed on both tenements, totalling ~220 samples. The geochemical data from this survey suggests that calcrete-hosted U mineralisation may extend from known mineralisation on Encounter's tenements into Cullen's E1249 to the north. Anomalous areas will be prioritised for first-pass drill testing once application E1249 has been approved.

The Company has an agreement with Element 92 Pty Ltd (Element 92), a wholly owned subsidiary of Thundelarra Exploration Ltd (Thundelarra), for a Joint Venture over its three applications (ELA's 52/1890-1892) at Tunnel Creek, in the Ashburton Province. The project area contains the highly prospective unconformable contact between the Middle Proterozoic Bresnahan Group rocks and the Lower Proterozoic Wyloo Group. This unconformity and associated faulting are prospective for uranium mineralisation similar in style to the Ranger and Jabiluka deposits in the Alligator Rivers Region of the Northern Territory. A "Tempest" airborne electromagnetic survey has been flown to further test a number of radiometric anomalies within E52/1890. The project is also prospective for calcrete and sandstone-hosted mineralisation associated with major palaeo-drainage channels within the area.

The final data from the TEMPEST digital time domain, electromagnetic, airborne survey conducted in 2007 was recently received and interpreted by Thundelarra. The survey has clearly defined:

- the conductive and prospective east-west trending shale and sediment sequence in the centre of the survey area. Much of the prospective sequence is under transported sand cover and has never been drill tested by previous explorers; and
- a north-south trending palaeo-drainage channel that has in places associated radiometric anomalism defined by 2007 airborne survey. This channel is largely obscured by transported sand cover and presents an important target for Thundelarra's initial exploration.

Native title negotiations have advanced during the quarter and a final agreement is expected to be signed in August allowing the grant of the tenements and the commencement of ground exploration activities during the September quarter.

Reconnaissance work has been completed on the Rason, Porcupine and Darlot South tenement applications in preparation for systematic work upon granting of these tenements.

NORTHERN TERRITORY

EL 26142 and EL 25716 are located approximately 140km ENE of Alice Springs. Exploration for uranium has previously been carried out in the region by PNC, which located the "Yambla Prospect" within ELA 26142. PNC interpreted the prospect as: "a structurally-controlled, vein-hosted uraninite-type target", in 1992. The prospect was marked by scattered, nodular uranium mineralisation (?uraninite), and by anomalous scintillometer readings in outcrop and trenches. PNC completed 13 drillholes at the Yambla and concluded that: "although no economic mineralisation was intersected, the alteration envelope was intersected in all drillholes and radiometric anomalies were intersected in 3 drillholes". Only one traverse of drilling was completed which did not sufficiently test: "the 1.5km strike length of surface mineralisation, with only 150m of mineralised strike tested to a vertical depth of 50m." PNC also reported uranium mineralisation at the Bonny, Hof, and Moondyne Prospects, but these occurrences have not been reviewed by Cullen as yet.

Cullen's field investigations have confirmed that there are indications of uranium mineralisation in the Yambla prospect area, with location of elevated scintillometer readings related to spot occurrences (as nodules) of a black mineral with a yellow weathering product – thought to be pitchblende (uraninite) . A grab sample of surface soil taken from an area of elevated scintillometer readings, assayed 4.21% U_3O_8 (repeat 4.03% U_3O_8) with 0.58% Thorium.

Soil analyses of samples taken near previously identified radiation hotspots returned U concentrations of 10-50 ppm; one sample of mineralised soil from a small hotspot (1-2m²) returned U and Th concentrations of >1% and Pb of 3.2%.

In June, the company held a meeting with the Traditional Owners regarding access to ELA 25493 and is awaiting a response from the Central Land Council. It is hoped to hold a similar meeting to consider access on ELA 25494 in August. These tenements are in the Amadeus Basin approximately 50km and 100km SSW of Alice Springs and approximately 80km west of the Angela-Pamela uranium deposits.

EXPLORATION ACTIVITIES – Nickel

NORTH EASTERN GOLDFIELDS, W.A.

GUNBARREL NICKEL JOINT VENTURE - BHP Billiton holds a 75% interest in nickel and base metal rights; Cullen's 25% interest is free carried to Decision to Mine - E53/535, 568, 818, 837

At present, BHP Billiton has plans to finalise a desktop study to further delimit productive horizons and prospective areas within the Gunbarrel belt for nickel sulphides. An airborne VTEM survey has been planned for the next quarter to cover E53/818, 837, 535 and 568.

IRWIN BORE TENEMENTS - Cullen 100% - E53/1040; and Cullen 90%, Western Australian Resources Ltd 10% - E53/1209 and E53/1137

These tenements, situated immediately south of the Gunbarrel Nickel JV's AK47 Ni-Cu sulphide discovery, contain the interpreted strike extension of the AK47 ultramafic stratigraphy. As part of a review of the scope for further exploration for gold and nickel on these tenements, Cullen conducted regional laterite sampling. None of these samples show unambiguous geochemical characteristics of magmatic Ni sulphide mineralisation nearby. Recent air core drilling completed east of Graf's Find on E53/1209 encountered mafic-ultramafic rocks and will be analysed for PGE and Ni.

EXPLORATION ACTIVITIES – Iron

ASHBURTON PROVINCE, W.A.

WYLOO DOME IRON ORE PROJECT - Iron Ore Rights JV with Fortescue Metals Group Ltd (FMG), Cullen retains 100% of Other Mineral Rights

FMG can earn up to an 80% interest in the iron ore rights on a group of Cullen's tenements in the West Pilbara Region. The tenements (E08/1393 and ELs 47/1154, 1649 and 1650) include Marra Mamba and Brockman Iron Formations along the eastern and northern margin of the Wyloo Dome. These formations host the adjacent Metawandy bedded goethite-haematite deposits of Hamersley Iron Pty Ltd, for which an Inferred Resource of 225 Mt @ 62.1% Fe has been reported.

FMG has completed aeromagnetic and radiometric surveys over the northern portion of the tenements, purchased satellite imagery and completed reconnaissance mapping and rock chip sampling. A Miscellaneous Licence, L47/232, for track access to Wyloo North over competitor tenements, is still in the grant process. This has delayed processing of Programme of Work applications with the DoIR, and heritage surveys, required before an initial drilling programme can commence.

PARABURDOO IRON ORE PROJECT - Iron Ore Rights JV with Fortescue Metals Group Ltd (FMG), Cullen retains 100% of Other Mineral Rights

The Company has signed a Memorandum of Understanding with FMG allowing FMG to earn up to an 80% interest in the iron ore rights on Cullen's E52/1667, located ~25km south east of Paraburdoo in the Pilbara Region of Western Australia. E52/1667 includes potential for bedded iron deposits within the Brockman Iron Formations, along strike from the Paraburdoo and Channar Groups of iron deposits.

FMG has completed compilation of historical exploration data and helicopter-borne reconnaissance, and purchased orthophotograpy. Review of previous work highlighted the results of RC drilling completed by Hamersley Iron in 1995 to test the "Snowy Mountain Fault". Fourteen holes were completed and one intersected high-grade, low-phosphorous iron mineralisation: RC95SM001 – 10-22m : 12m @ 61.4% Fe; 5.41% SiO_2; 3.38% Al_20_3; 0.054%P.

Infill geological mapping at 1:10,000 scale was completed during the quarter. This work followed up indications of mineralisation from 1995 regional mapping by Hamersley Iron, and helicopter reconnaissance by FMG in 2007. Known mineralisation was confirmed, without significant extensions being identified. Mapping is currently being compiled. Existing station and exploration tracks were graded, providing access to within a few kilometres of proposed drilling locations. Programme of Work approvals and heritage surveying are awaited before final access preparation can be completed.

Cullen has completed a data compilation and data interpretation which has led to the identification of three target areas for gold including the Snowy Mountain Fault itself. Field reconnaissance and mapping programmes, as a first step, will commence in the 2008 field season.

EXPLORATION ACTIVITIES – Tungsten

CENTRAL LACHLAN N.S.W. - MINTER TUNGSTEN PROJECT

The Minter Project (EL's 6748 and 6572 – Cullen 100%) is centred approximately 90km north-west of West Wyalong in the Central Lachlan Fold belt of NSW. The project area (approximately 275km^2) covers several historical tungsten prospects, comprising a north trending chain of fractured and quartz-veined zones in hornfelsed Ordovician sediments. These prospects are interpreted to be spatially and genetically related to a large, underlying, granitic intrusive body, with focus points of tungsten mineralisation localised above cupolas of this batholith.

Cullen recently completed a 41-hole programme of close-spaced, shallow aircore/RC drilling at the Doyenwae prospect as announced to the ASX on 24 July 2008. This shallow drilling intersected multiple zones of tungsten mineralisation hosted by ferruginous, quartz-veined sandstones with 2m composite samples assaying from 0.05 to 0.87% WO_3 . Better intersections included :

8m @ 0.38% WO_3 from 22m - Hole DAC3
24m @ 0.32% WO_3 from 4m - Hole DAC6
24m @ 0.16% WO_3 from 4m - Hole DAC7
28m @ 0.14% WO_3 from 2m - Hole DAC17
30m @ 0.10% WO_3 from 0m - Hole DAC19
8m @ 0.27% WO_3 from 0m - Hole DAC25
10m @ 0.18% WO_3 from 0m - Hole DAC37

The mineralised zones range from 2m to 30m thick downhole and are interpreted to dip moderately to steeply west forming a north-easterly trend at least 550m long, and open in each direction.

Cullen regards the occurrence of broad, shallow zones of tungsten mineralisation of ~0.1 to 0.3% WO_3 as highly encouraging. The air core drilling also indicated a plausible structural control to these zones, and this will allow for orientation of follow-up drilling, which is likely to include deeper RC and some diamond coring.

Potential exists for the discovery of additional zones of shallow, stockwork tungsten mineralisation along the 10 kilometre Doyenwae trend of anomalies. Subject to a favourable review of the mineralogy and metallurgy of the oxidised mineralisation, this newly-defined tungsten mineralisation may be part of a system of some economic interest.

EXPLORATION ACTIVITIES – Iron Oxide Copper Gold (IOCG)

DUCHESS PROJECT AREA, QUEENSLAND

At Duchess, 80 km southwest of Cloncurry (EPMs 11990, 12395), ground magnetics and reconnaissance rock chip sampling have highlighted the prospectivity of the Pilgrim Fault "megabend" area where gravity surveys had previously indicated potential for ironstone-related copper-gold mineralisation. Selected outcrop samples returned up to 15 g/t Au, 3.3% Cu and 50% Fe, and ground magnetics with gravity have delineated magnetite and haematite ironstones.

During the previous Quarter, five angled RC holes for a total of 793m were drilled by Minotaur Exploration Ltd (as JV Manager) into a gravity anomaly, two magnetic anomalies and two surface geochemical anomalies.

The drill holes each penetrated a sedimentary sequence (siltstone, sandstone, quartzite) with widespread mixed magnetite and haematite alteration of varying intensity. The results of this drilling programme, as reported to the ASX on 18 May 2008, included low-level copper and gold mineralisation with iron oxide alteration. Better drill intercepts included:

11m @ 0.06% copper from 181m in drill hole 08RCDU001
24m @ 0.16% copper from 168m in drill hole 08RCDU002
15m @ 0.13% copper from 14m in drill hole 08RCDU003
24m @ 0.31% copper from surface in drill hole 08RCDU004
7m @ 3.03 g/t gold and 375 ppm molybdenum from surface in drill hole 08RCDU005

Following evaluation of these results, Minotaur elected to withdraw from the Joint Venture, and the tenements now revert to Cullen 100%. Cullen is undertaking a review of the prospectivity of the area for copper and gold, and phosphate, as the area lies along strike to the north (~60km) of the Phosphate Hill Mine, owned and operated by Incitec Pivot Limited.

EARLY STAGE EXPLORATION

The Company is undertaking data compilation and early stage exploration on a number of new project areas including: on the Lennard Shelf in the Kimberley Region of WA (Pb-Zn); at Bindabu Bore, an area of approximately 900km^2 centred 100km W of Coober Pedy in the northern Gawler Craton of South Australia for IOCG deposits; and in Scandinavia (see ASX announcement of 10 April 2008) mainly for Cu-Au and Fe deposits. The company also plans to drill-test two distinctive aeromagnetic features located in the NE Yilgarn of WA which it postulates maybe carbonatites – a drill rig is awaited.

PROJECT GENERATION – Canning Basin Coal and Phosphate

The Company has applied for three large exploration licences in the Canning Basin of Western Australia which cover Permian and Triassic sedimentary sequences it considers may be prospective for coal (in the Permian Liveringa Group) and phosphate (in the Triassic sequences). The new ELA's extend to the south east of a large tenement area where Rey Resources Limited is currently undertaking exploration drilling for coal. One of Cullen's new ELA's includes a mapped occurrence of phosphate in Triassic rocks.

CORPORATE

AMCI Investments Pty Ltd with FRC AMCI Intermediate BV is a substantial shareholder with a 16.06% shareholding (as at 17 July 2008). Aquila Resources Limited holds 15.78% of the share capital of the company.

The Company held ~$7.4 million in cash at the end of the Quarter.

For a colour copy of this Report please visit Cullen's website www.cullenresources.com.au or for further information contact:

Dr Chris Ringrose,
Managing Director
+61 8 9474 5511

31 July 2008

ATTRIBUTION

Competent Person Statements

The information in this report that relates to Exploration Results is based on information compiled by Dr Chris Ringrose, Managing Director, Cullen Resources Ltd who is a Member of the Australian Institute of Mining and Metallurgy. Dr. Ringrose is a full time employee of Cullen Resources Ltd. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined by the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr. Ringrose consents to the report being issued in the form and context in which it appears.

The information in this report that relates to Exploration Results for uranium is based on information compiled by Dr Chris Ringrose, Managing Director of Cullen Resources Ltd and reviewed by Mr Grahame Hamilton, Director, Cullen Resources Ltd , both of whom are Members of the Australian Institute of Mining and Metallurgy. Mr Hamilton is also a geological consultant to Cullen Resources Ltd. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined by the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr. Ringrose and Mr Hamilton consent to the report being issued in the form and context in which it appears.

The information in this announcement that relates to Mineral Resources is based on information compiled by Mr Stuart H Tuckey, Dr Sia Khosrowshahi and Mr Jani Kalla who are members of the Australian Institute of Mining and Metallurgy. Mr Tuckey is a full-time employee of Australian Premium Iron. Dr Khosrowshahi and Mr Kalla are employees of Golder Associates Pty Ltd. Messrs Tuckey, Khosrowshahi and Kalla have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Tuckey, Dr Khosrowshahi and Mr Kalla consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98.

Name of entity

CULLEN RESOURCES LIMITED

ABN	Quarter ended ("current quarter")
46 006 045 790	30 June 2008

Consolidated statement of cash flows

	Cash flows related to operating activities		Current quarter $A'000	Year to date (..12..months) $A'000
1.1	Receipts from product sales and related debtors		-	-
1.2	Payments for	(a) exploration and evaluation	(507)	(1,679)
		(b) development	-	-
		(c) production	-	-
		(d) administration	(80)	(492)
1.3	Dividends received		-	-
1.4	Interest and other items of a similar nature received		142	265
1.5	Interest and other costs of finance paid		-	-
1.6	Income taxes paid		-	-
1.7	Other (provide details if material)		-	-
	Net Operating Cash Flows		(445)	(1,906)
	Cash flows related to investing activities			
1.8	Payment for purchases of:	(a)prospects	-	-
		(b)equity investments	-	-
		(c) other fixed assets	(12)	(15)
1.9	Proceeds from sale of:	(a)prospects	-	-
		(b)equity investments	-	-
		(c)other fixed assets	-	-
1.10	Loans to other entities		-	-
1.11	Loans repaid by other entities		-	-
1.12	Other (provide details if material)- Security deposits		-	-
	Net investing cash flows		(12)	(15)
1.13	Total operating and investing cash flows (carried forward)		(457)	(1,921)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(457)	(1,921)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	7,545
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other share issue expenses	-	-
	Net financing cash flows	-	7,545
	Net increase (decrease) in cash held	(457)	5,624
1.20	Cash at beginning of quarter/year to date	7,883	1,802
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	7,426	7,426

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	100
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

-

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

-

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

-

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	300
4.2	Development	-
	Total	300

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	7,426	7,883
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	7,426	7,883

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	-	-	-	-
6.2	Interests in mining tenements acquired or increased	-	-	-	-

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference +securities *(description)*	-	-	-	-
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	- -	- -	- -	- -
7.3	+Ordinary securities	554,839,763	554,839,763	-	-
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	- -	- -	- -	- -
7.5	+Convertible debt securities (*description)*	-	-	-	-
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	- -	- -	- -	- -
7.7	Options *(description and conversion factor)*	8,000,000 7,000,000 7,000,000	- - -	*Exercise price* $0.1338 $0.05 $0.08	*Expiry date* 30 November 2010 28 February 2010 28 February 2010
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	Debentures *(totals only)*	-	-		
7.12	Unsecured notes *(totals only)*	-	-		

+ See chapter 19 for defined terms.

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: ..... Date: 23/07/08.....
(Director/Company secretary)

Print name: Wayne Kernaghan

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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